

April 2, 1984

LB 880A

SPEAKER NICHOL: Senator Higgins.

SENATOR HIGGINS: Thank you, Mr. President. All I want to say is I don't know who does the nitty-gritty work on these insurance policies, but I sometimes wonder if perhaps the Business, Commerce, and Insurance Committee ought to be involved in this negotiation of the insurance premiums for state employees. We deal with insurance matters all through the session. I am wondering if our committee should not have something to say about this because if you are not a little bit acquainted with insurance they could be selling the state employees the Brooklyn Bridge and we wouldn't know it. Now as I look at some of these premiums, I can tell you right now there is a lot of ways that the insurance company could write a better policy. Give you an example, you are married and you have five children so you are going to pay the family rate. Suddenly you are 50 years old, your five children are married. They all have family policies, but the insurance company says because you and your husband are both living or you and your wife you are still going to pay the family rate. You are paying the family rate. Your five children who are married and have families are paying it. In other words, the insurance companies are collecting twice the family rate even though they quit insuring seven people and are down to two in one family. That is something we ought to look at, Senators. That is something that they haven't looked at I guess in years. I know they have a policy in there for two to four people. That doesn't make a lot of sense to me. I can't see somebody 50 or 60 years old suddenly starting a new family and having four instead of just two. Look at the premium thing Senator Wesely sent out. Look what a single person pays. Then consider yourself married and no children, 40, 50, 60, 70 years old. You are paying more than triple the rate of a single person and there is only two of you. And think again, those children you raised that now have children of their own are paying their own insurance premium again. So I think maybe I would introduce a resolution this year that perhaps we do a study about bringing the Banking, Commerce, and Insurance Committee into these negotiations on health insurance for state employees. For now I think it is only fair that we